

# **EXHIBIT “A”**

**IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA  
CIVIL DIVISION**

AMBER L. KORNREICH  
Plaintiff

v.

PENN CREDIT CORPORATION  
Defendant

No. GD-17-009939

Type of Pleading:

**COMPLAINT IN CIVIL ACTION**

Filed on behalf of Plaintiff,

AMBER L. KORNREICH

Counsel of Record for this Party:

Victoria G. Wellstead, Esquire  
PA ID No. 323269

Mark G. Moynihan, Esquire  
PA ID No. 307622

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Pittsburgh, PA 15219  
(412) 889-8535

**IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA  
CIVIL DIVISION**

AMBER L. KORNREICH  
Plaintiff

Case No.: GD-17-009939

v.

PENN CREDIT CORPORATION  
Defendant

**NOTICE TO DEFEND**

You have been sued in Court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this Complaint and Notice are served, by entering a written appearance personally or by attorney and filing in writing with the Court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the Court without further notice for any money claimed in the Complaint or for any other claim or relief requested by the Plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER.

IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ON AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

Lawyer Referral Service, The Allegheny County Bar Association  
11th Floor Koppers Building  
436 Seventh Avenue, Pittsburgh, PA 15219  
Telephone: (412) 261-5555

DEC 08 2017

**IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA  
CIVIL DIVISION**

AMBER L. KORNREICH  
Plaintiff

No. GD-17-009939

v.

PENN CREDIT CORPORATION  
Defendant

**COMPLAINT**

**INTRODUCTION**

1. Defendant, PENN CREDIT CORPORATION, failed to clearly and explicitly identity the name of the current creditor and alleged charges in violation of the Fair Debt Collection Practices Act.

2. This is a consumer protection action for damages, attorney's fees and costs brought by Plaintiff for Defendant's violations of the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 *et seq.* ("FDCPA").

3. According to 15 U.S.C. § 1692:

- a. There is abundant evidence of the use of abusive, deceptive, and unfair debt collection practices by many debt collectors. Abusive debt collection practices contribute to the number of personal bankruptcies, to marital instability, to the loss of jobs, and to invasions of individual privacy.
- b. Existing laws and procedures for redressing these injuries are inadequate to protect consumers.
- c. Means other than misrepresentation or other abusive debt collection practices are available for the effective collection of debts.

- d. Abusive debt collection practices are carried on to a substantial extent in interstate commerce and through means and instrumentalities of such commerce. Even where abusive debt collection practices are purely intrastate in character, they nevertheless directly affect interstate commerce.
- e. It is the purpose of this title to eliminate abusive debt collection practices by debt collectors, to insure that those debt collectors who refrain from using abusive debt collection practices are not competitively disadvantaged, and to promote consistent State action to protect consumers against debt collection abuses.

#### **JURISDICTION AND VENUE**

- 4. This Court has jurisdiction. 15 U.S.C. § 1692k(d).
- 5. Venue and personal jurisdiction in this county are proper because Defendant transacts business within this county. Pa.R.C.P. 2179(a)(2).

#### **PARTIES**

- 6. Plaintiff, Amber Kornreich, is a natural person who resides in Warren County, Pennsylvania.
- 7. Amber Kornreich is a consumer as defined in the FDCPA.
- 8. Penn Credit Corporation is a business entity with offices at 916 South 14<sup>th</sup> St. Harrisburg, PA 17104.
- 9. Penn Credit Corporation is a debt collector as defined by § 1692a of the FDCPA because it regularly uses the mails and/or the telephone to collect, or attempt to collect, directly or indirectly, delinquent consumer debts.

### STATEMENT OF CLAIM

10. Plaintiff Amber Kornreich (“Kornreich”), allegedly incurred a debt that was primarily for personal, family or household purposes, and is therefore a “debt” as that term is defined by 15 U.S.C. § 1692a (5) (the “Debt”).

11. Penn Credit Corporation (“PCC”), sent the first of two letters to Kornreich on or about July 14, 2016, (the First Letter) in an attempt to collect the Debt. *Exhibit A*, redacted for security purposes

12. The First Letter does not list specifically who the original creditor is but rather states “Client: Warren General Hospital.”

13. The First Letter also does not describe charges for any specific products, services, doctors etc., but merely states, “HOSPITAL SERVICES.”

14. The Plaintiff, as would any least sophisticated consumer, was left unsure as to who the creditor was that PCC was attempting to collect for.

15. Pursuant to 15 U.S.C. §1692g, a debt collector is required in the initial communication with a consumer, to identify the name of the current creditor to whom the debt is owed.

16. The obligation is not only to identify the name of the current creditor, but to convey the name of the current creditor clearly and explicitly.

17. “Thus, in order to comply with the requirements of section 1692g, more is required than the mere inclusion of the statutory debt validation notice in the debt collection letter, the required notice must also be conveyed effectively to the debtor” *See Graziano v. Harrison*, 950

F.2d 107, 111 (3d Cir.1991). Moreover, the validation notice required by the Act “is to be interpreted from the perspective of the ‘least sophisticated debtor.’” Graziano, 950 F.2d at 111

18. PCC did not specifically state any procedure, name of any doctor or other services that were provided such that the consumer could identify the debt allegedly owed; but rather, the letter states that the debt was for “HOSPITAL SERVICES.”

19. Merely naming the debt “Hospital Services,” does not clearly convey to the consumer who the current creditor is.

20. Congress adopted the debt validation provisions of section 1692g to guarantee that consumers would receive adequate notice of their rights under the FDCPA. *Wilson*, 225 F.3d at 354, citing *Miller v. Payco-General Am. Credits, Inc.*, 943 F.2d 482, 484 (4th Cir.1991).

21. Congress further desired to “eliminate the recurring problem of debt collectors dunning the wrong person or attempting to collect debts which the consumer has already paid.” S.Rep. No. 95–382, at 4 (1977), reprinted in 1977 U.S.C.C.A.N. 1695, 1699.

22. The rights afforded to consumers under Section 1692g(a) are amongst the most powerful protections provided by the FDCPA. By not specifying the charges clearly, Defendant violated the FDCPA.

23. PCC sent the second of two letters to Kornreich, on or about July 20, 2016, (“the Second Letter”), in an effort to collect a different debt. ***Exhibit B*** redacted for security purposes

24. As in the first letter, the Second Letter also fails to state the identity of any original creditor and states merely that the debt is for “MEDICAL SERVICES” without specificity as to the source or identity of any medical charges or services.

**COUNT I**

**VIOLATIONS OF THE FAIR DEBT COLLECTION PRACTICES ACT  
15 U.S.C. §1692e *et seq.***

25. Plaintiff repeats, reiterates and incorporates the allegations contained in the paragraphs above herein with the same force and effect as if the same were set forth at length herein.

26. PCC's debt collection efforts violated various provisions of the FDCPA, including but not limited to 15 U.S.C. § 1692e.

27. Pursuant to 15 U.S.C. §1692e, a debt collector may not use any false, deceptive, or misleading representation or means in connection with the collection of any debt.

28. PCC violated the FDCPA by making a misleading representation by failing to clearly identify the creditor and also by generally referring to the debt as "Hospital Services" and "Medical Services," in violation of §1692e(10).

29. By reason thereof, Defendant is liable to Plaintiff for judgment that Defendant's conduct violated Section 1692e *et seq.* of the FDCPA, actual damages, statutory damages, costs and attorneys' fees.

**COUNT II**

**VIOLATIONS OF THE FAIR DEBT COLLECTION PRACTICES ACT  
15 U.S.C. § 1692g *et seq.***

30. Plaintiff repeats, reiterates and incorporates the allegations contained in paragraphs above herein with the same force and effect as if the same were set forth at length herein.

31. Defendant's debt collection efforts attempted and/or directed towards the Plaintiff violated various provisions of the FDCPA, including but not limited to 15 U.S.C. § 1692g.

32. Pursuant to 15 USC §1692g, a debt collector:



- (a) Within five days after the initial communication with a consumer in connection with the collection of any debt, a debt collector shall, unless the following information is contained in the initial communication or the consumer has paid the debt, send the consumer a written notice containing –
  - (1) The amount of the debt;
  - (2) The name of the creditor to whom the debt is owed;
  - (3) A statement that unless the consumer, within thirty days after receipt of the notice, disputes the validity of the debt, or any portion thereof, the debt will be assumed to be valid by the debt-collector;
  - (4) A statement that the consumer notifies the debt collector in writing within thirty-day period that the debt, or any portion thereof, is disputed, the debt collector will obtain verification of the debt or a copy of a judgment against the consumer and a copy of such verification or judgment will be mailed to the consumer by the debt collector; and
  - (5) A statement that, upon the consumer's written request within the thirty-day period, the debt collector will provide the consumer with the name and address of the original creditor, if different from the current creditor.

33. The Defendant violated 1692g(a)(2) by failing to name the creditor to whom the debt is owed.

34. By reason thereof, Defendant is liable to Plaintiff for judgment that Defendant's conduct violated Section 1692g *et seq.* of the FDCPA, actual damages, statutory damages, costs and attorneys' fees.

#### **PRAYER FOR RELIEF**

WHEREFORE, Plaintiff demands judgment, within the arbitration limits of this court, against Defendant for:

- a. Damages;
- b. Attorneys' fees and costs; and
- c. Such other and further relief as the Court shall deem just and proper

**JURY DEMAND**

Plaintiff demands trial by jury as to all issues so triable upon appeal or removal.

Respectfully submitted,

Dated: 12/1/2017

By: /s/ Victoria G. Wellstead  
Victoria G. Wellstead, Esquire  
Attorney for Plaintiff

## **Exhibit A**

# PennCredit

Corporation

Hours: Mon-Thur 8am-10pm EST  
Fri 8am-8pm, Sat 8am-12pm EST  
Phone: 800-900-1382

## NOTICE OF COLLECTION

07/14/16

CLIENT: Warren General Hospital  
ID NUMBER: [REDACTED] 0313  
TOTAL BALANCE DUE: \$113.00



Our client has referred your delinquent account(s) referenced below for collection. Our client is serious about collecting all monies owed them and I am sure your intentions are to honor your debt. Send payment using the enclosed envelope or you may go online to <http://account.penncredit.com> to make payment or contact our office to pay over the phone. Contact our office if you are unable to pay the amount due.

Unless you notify this office within 30 days after receiving this notice that you dispute the validity of this debt or any portion thereof, this office will assume this debt is valid. If you notify this office in writing within 30 days from receiving this notice that you dispute the validity of this debt or any portion thereof, this office will obtain verification of the debt or obtain a copy of a judgment and mail you a copy of such judgment or verification. If you request this office in writing within 30 days after receiving this notice this office will provide you with the name and address of the original creditor, if different from the current creditor.

~~This is an attempt to collect a debt by a debt collector and any information obtained will be used for that purpose. The important rights included above apply to each account individually and you have the right to dispute any or all of the accounts included in this notice. In the event you choose to exercise your important rights included above please indicate which account(s) you are disputing.~~

| SERVICE RENDERED                   | SERVICE DATE | ACCOUNT NUMBER  | BALANCE  |
|------------------------------------|--------------|-----------------|----------|
| HOSPITAL SERVICES KORNREICH, AMBER | 2016/02/23   | [REDACTED] 5369 | \$113.00 |



DETACH AND RETURN WITH PAYMENT TO: EXPEDITE CREDIT TO YOUR ACCOUNT

P.O. Box 1259, Department 91047  
Oaks, PA 19456  
CHANGE SERVICE REQUESTED



| IF PAYING BY VISA, MASTERCARD OR DISCOVER, FILL OUT BELOW |                                     |                                   |
|---|-------------------------------------|-----------------------------------|
| <input type="checkbox"/> VISA                             | <input type="checkbox"/> MASTERCARD | <input type="checkbox"/> DISCOVER |
| SIGNATURE   |                                     | EXP. DATE                         |
|   |                                     | AMOUNT                            |

Visit <http://account.penncredit.com> to pay your bill online.

Payments received by check will be electronically deposited, unless you pay by non-consumer type check. You may opt out of this program by paying with a money order or a travelers check. In the unlikely event your check (payment) is returned unpaid, we may elect to electronically (or by paper draft) re-present your check (payment) up to two more times. You also understand and agree that we may collect a return processing charge by the same means, in an amount not to exceed that as permitted by state law.

ID NUMBER: [REDACTED] 0313 07/14/16



91203-141

AMBER KORNREICH

[REDACTED] 16371-1129

PENN CREDIT  
916 S 14th ST  
PO BOX 988  
HARRISBURG PA 17108-0988



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91203-NEW-141

PAP-923-C-9

## **Exhibit B**

# PennCredit

Corporation

Hours: Mon-Thur 8am-10pm EST  
Fri 8am-8pm, Sat 8am-12pm EST  
Phone: 800-900-1382

## NOTICE OF COLLECTION

07/20/16

CLIENT: Warren Medical Group  
ID NUMBER: [REDACTED] 7874  
TOTAL BALANCE DUE: \$25.00



Our client has referred your delinquent account(s) referenced below for collection. Our client is serious about collecting all monies owed them and I am sure your intentions are to honor your debt. Send payment using the enclosed envelope or you may go online to <http://account.penncredit.com> to make payment or contact our office to pay over the phone. Contact our office if you are unable to pay the amount due.

Unless you notify this office within 30 days after receiving this notice that you dispute the validity of this debt or any portion thereof, this office will assume this debt is valid. If you notify this office in writing within 30 days from receiving this notice that you dispute the validity of this debt or any portion thereof, this office will obtain verification of the debt or obtain a copy of a judgment and mail you a copy of such judgment or verification. If you request this office in writing within 30 days after receiving this notice this office will provide you with the name and address of the original creditor, if different from the current creditor.

This is an attempt to collect a debt by a debt collector and any information obtained will be used for that purpose. The important rights included above apply to each account individually and you have the right to dispute any or all of the accounts included in this notice. In the event you choose to exercise your important rights included above please indicate which account(s) you are disputing.

| SERVICE RENDERED                    | SERVICE DATE | ACCOUNT NUMBER  | BALANCE |
|-------------------------------------|--------------|-----------------|---------|
| MEDICAL SERVICES KORNREICH, AMBER L | 2016/03/04   | [REDACTED] 5220 | \$25.00 |

PAP-553-C-0



DETACH AND RETURN WITH PAYMENT TO EXPEDITE CREDIT TO YOUR ACCOUNT

P.O. Box 1259, Department 91047  
Oaks, PA 17456  
CHANGE SERVICE REQUESTED



| IF PAYING BY VISA, MASTERCARD OR DISCOVER, FILL OUT BELOW |                                     |                                   |
|---|-------------------------------------|-----------------------------------|
| <input type="checkbox"/> VISA                             | <input type="checkbox"/> MASTERCARD | <input type="checkbox"/> DISCOVER |
| CARD NUMBER   |                                     | EXP. DATE                         |
| SIGNATURE   |                                     | AMOUNT                            |

Visit <http://account.penncredit.com> to pay your bill online.

Payments received by check will be electronically deposited, unless you pay by non-consumer type check. You may opt out of this program by paying with a money order or a travelers check. In the unlikely event your check (payment) is returned unpaid, we may elect to electronically (or by paper draft) re-present your check (payment) up to two more times. You also understand and agree that we may collect a return processing charge by the same means, in an amount not to exceed that as permitted by state law.

ID NUMBER: [REDACTED] 7874 07/20/16



91203 - 708



AMBER L KORNREICH

[REDACTED] 16371-1129

PENN CREDIT  
916 S 14th ST  
PO BOX 988  
HARRISBURG PA 17108-0988

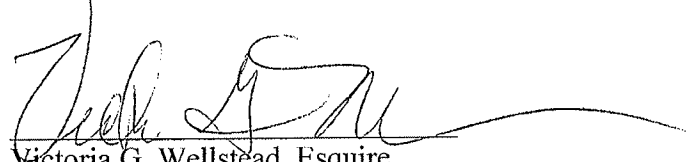


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91203-NEW-708

### VERIFICATION

The undersigned, Victoria G. Wellstead, hereby states that she is the attorney for the Plaintiff in this action and verifies that the statements made in the foregoing complaint are true and correct to the best of her knowledge, information and belief. By virtue of the fact that the verification cannot be obtained within the time allowed for the filing of this complaint the complaint is submitted by counsel having sufficient knowledge, information, and belief based upon the information provided to her by the Plaintiff and based upon her own personal knowledge. Plaintiff will provide a verification signed by Plaintiff upon request by Defendant. The undersigned understands that false statements herein are made subject to the penalties of 18 Pa.C.S. § 4904, relating to unsworn falsification to authorities.



Victoria G. Wellstead, Esquire  
Attorney for Plaintiff